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APPLICATION NO.	FILING DATE	FIRST NAMED INVENTOR	ATTORNEY DOCKET NO.	CONFIRMATION NO.
09/954,606	09/10/2001	Robert Seseek	10012530-1	8271

7590 05/05/2005
HEWLETT-PACKARD COMPANY
Intellectual Property Administration
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EXAMINER

THEIN, MARIA TERESA T

ART UNIT	PAPER NUMBER
3627	

DATE MAILED: 05/05/2005

Please find below and/or attached an Office communication concerning this application or proceeding.

Office Action Summary

Application No.

09/954,606

Applicant(s)

SESEK, ROBERT

Examiner

Marissa Thein

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-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --

Period for Reply

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE 3 MONTH(S) FROM THE MAILING DATE OF THIS COMMUNICATION.

- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If the period for reply specified above is less than thirty (30) days, a reply within the statutory minimum of thirty (30) days will be considered timely.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133). Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

Status

- 1) ☒ Responsive to communication(s) filed on 18 February 2005.
- 2a) ☒ This action is **FINAL**. 2b) ☐ This action is non-final.
- 3) ☐ Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

Disposition of Claims

- 4) ☒ Claim(s) 1-5 and 7-23 is/are pending in the application.
- 4a) Of the above claim(s) _____ is/are withdrawn from consideration.
- 5) ☐ Claim(s) _____ is/are allowed.
- 6) ☒ Claim(s) 1-5 and 7-23 is/are rejected.
- 7) ☐ Claim(s) _____ is/are objected to.
- 8) ☐ Claim(s) _____ are subject to restriction and/or election requirement.

Application Papers

- 9) ☐ The specification is objected to by the Examiner.
- 10) ☐ The drawing(s) filed on _____ is/are: a) ☐ accepted or b) ☐ objected to by the Examiner.
Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).
Replacement drawing sheet(s) including the correction is required if the drawing(s) is objected to. See 37 CFR 1.121(d).
- 11) ☐ The oath or declaration is objected to by the Examiner. Note the attached Office Action or form PTO-152.

Priority under 35 U.S.C. § 119

- 12) ☐ Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).
- a) ☐ All b) ☐ Some * c) ☐ None of:
1. ☐ Certified copies of the priority documents have been received.
2. ☐ Certified copies of the priority documents have been received in Application No. _____.
3. ☐ Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).

* See the attached detailed Office action for a list of the certified copies not received.

Attachment(s)

- 1) ☒ Notice of References Cited (PTO-892)
- 2) ☐ Notice of Draftsperson's Patent Drawing Review (PTO-948)
- 3) ☐ Information Disclosure Statement(s) (PTO-1449 or PTO/SB/08)
Paper No(s)/Mail Date _____
- 4) ☐ Interview Summary (PTO-413)
Paper No(s)/Mail Date _____
- 5) ☐ Notice of Informal Patent Application (PTO-152)
- 6) ☐ Other: _____

DETAILED ACTION

Response to Amendment

Applicant's "Response to the Office Action Mailed November 18, 2004" filed on February 18, 2005 has been considered with the following effect.

Applicant's response by canceling claim 6 has overcome the Examiner's rejection of such claim under 35 USC 112, second paragraph.

Applicant's response by virtue of amending claim 7 has overcome the Examiner's rejection of such claim under 35 USC 112, second paragraph.

Applicant's response by virtue of amending claims 1-5 and 7-9 has not overcome the Examiner's rejection of such claim under 35 USC 101.

Applicant's response by virtue of amending claims 10-16 has overcome the Examiner's rejection of such claim under 35 USC 101.

Claims 1-4, 7-10, 15, 17, 20-23 are amended. Claim 6 is cancelled. Claims 1-5, and 7-23 remain pending in this application.

Claim Rejections - 35 USC § 101

35 U.S.C. 101 reads as follows:

Whoever invents or discovers any new and useful process, machine, manufacture, or composition of matter, or any new and useful improvement thereof, may obtain a patent therefor, subject to the conditions and requirements of this title.

Claims 1-5 and 7-9 are rejected under 35 U.S.C. 101 because the claimed invention is directed to non-statutory subject matter.

As an initial matter, the United States Constitution under Art. I, §8, cl. 8 gave Congress the power to "[p]romote the progress of science and useful arts, by securing for limited times to authors and inventors the exclusive right to their respective writings

and discoveries". In carrying out this power, Congress authorized under 35 U.S.C. §101 a grant of a patent to "[w]hoever invents or discovers any new and useful process, machine, manufacture, or composition or matter, or any new and useful improvement thereof." Therefore, a fundamental premise is that a patent is a statutorily created vehicle for Congress to confer an exclusive right to the inventors for "inventions" that promote the progress of "science and the useful arts". The phrase "technological arts" has been created and used by the courts to offer another view of the term "useful arts". See *In re Musgrave*, 167 USPQ (BNA) 280 (CCPA 1970). Hence, the first test of whether an invention is eligible for a patent is to determine if the invention is within the "technological arts".

Further, despite the express language of §101, several judicially created exceptions have been established to exclude certain subject matter as being patentable subject matter covered by §101. These exceptions include "laws of nature", "natural phenomena", and "abstract ideas". See *Diamond v. Diehr*, 450, U.S. 175, 185, 209 USPQ (BNA) 1, 7 (1981). However, courts have found that even if an invention incorporates abstract ideas, such as mathematical algorithms, the invention may nevertheless be statutory subject matter if the invention as a whole produces a "useful, concrete and tangible result." See *State Street Bank & Trust Co. v. Signature Financial Group, Inc.* 149 F.3d 1368, 1973, 47 USPQ2d (BNA) 1596 (Fed. Cir. 1998).

This "two prong" test was evident when the Court of Customs and Patent Appeals (CCPA) decided an appeal from the Board of Patent Appeals and Interferences (BPAI). See *In re Toma*, 197 USPQ (BNA) 852 (CCPA 1978). In *Toma*, the court held that the recited mathematical algorithm did not render the claim as a whole non-statutory using the Freeman-Walter-Abele test as applied to *Gottschalk v. Benson*, 409

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U.S. 63, 175 USPQ (BNA) 673 (1972). Additionally, the court decided separately on the issue of the "technological arts". The court developed a "technological arts" analysis:

The "technological" or "useful" arts inquiry must focus on whether the claimed subject matter...is statutory, not on whether the product of the claimed subject matter...is statutory, not on whether the prior art which the claimed subject matter purports to replace...is statutory, and not on whether the claimed subject matter is presently perceived to be an improvement over the prior art, e.g., whether it "enhances" the operation of a machine. In re Toma at 857.

In Toma, the claimed invention was a computer program for translating a source human language (e.g., Russian) into a target human language (e.g., English). The court found that the claimed computer implemented process was within the "technological art" because the claimed invention was an operation being performed by a computer within a computer.

The decision in State Street Bank & Trust Co. v. Signature Financial Group, Inc. never addressed this prong of the test. In State Street Bank & Trust Co., the court found that the "mathematical exception" using the Freeman-Walter-Abele test has little, if any, application to determining the presence of statutory subject matter but rather, statutory subject matter should be based on whether the operation produces a "useful, concrete and tangible result". See State Street Bank & Trust Co. at 1374. Furthermore, the court found that there was no "business method exception" since the court decisions that purported to create such exceptions were based on novelty or lack of enablement issues and not on statutory grounds. Therefore, the court held that "[w]hether the patent's claims are too broad to be patentable is not to be judged under §101, but rather under §§102, 103 and 112." See State Street Bank & Trust Co. at 1377. Both of these analysis goes towards whether the claimed invention is non-statutory because of the

presence of an abstract idea. Indeed, State Street abolished the Freeman-Walter-Abele test used in *Toma*. However, State Street never addressed the second part of the analysis, i.e., the "technological arts" test established in *Toma* because the invention in State Street (i.e., a computerized system for determining the year-end income, expense, and capital gain or loss for the portfolio) was already determined to be within the technological arts under the *Toma* test. This dichotomy has been recently acknowledged by the Board of Patent Appeals and Interferences (BPAI) in affirming a §101 rejection finding the claimed invention to be non-statutory. See *Ex parte Bowman*, 61 USPQ2d (BNA) 1669 (BdPatApp&Int 2001).

As to technological arts recited in the preamble, mere recitation in the preamble (i.e., intended or field of use) or mere implication of employing a machine or article of manufacture to perform some or all of the recited steps does not confer statutory subject matter to an otherwise abstract idea unless there is positive recitation in the claim as a whole to breathe life and meaning into the preamble. In the present application, Claims 1-5 and 7-9 have no connection to the technological arts. None of the steps indicate any connection to a computer or technology. The steps of receiving, generating, delivering and electronically reading are broadly interpreted as manual steps. Therefore, the claims are directed towards non-statutory subject matter, i.e. not within technological arts. To overcome this rejection the Examiner recommends that Applicant amend the claims to better clarify which of the steps are being performed within the technological arts, such as using a digital computing device.

Claim Rejections - 35 USC § 103

The following is a quotation of 35 U.S.C. 103(a) which forms the basis for all obviousness rejections set forth in this Office action:

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(a) A patent may not be obtained though the invention is not identically disclosed or described as set forth in section 102 of this title, if the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains. Patentability shall not be negated by the manner in which the invention was made.

Claims 1-5, 10-12, 17-18, and 22 are rejected under 35 U.S.C. 103(a) as being unpatentable over U.S. Patent No. 6,807,530 to Shub et al. in view of U.S. Patent Application Publication No. 2002/0138173 to Barta.

Regarding claims 1, 10, and 17, Shub discloses a computerized method, product, and system comprising: receiving an order to deliver a good and payment data identifying an account (the customer gives the order, come code numbers and the identity of the chosen payment agency to the merchant, col. 2, lines 26-49); generating a ticket (label) containing electronically readable information (payment agency's barcode) representing the payment data (Figure 4; col. 2, lines 59-66; col. 6, lines 66-67); delivering the ticket with the ordered good (col. 2, lines 65-67).

However, Shub does not explicitly disclose upon delivery of the good, the electronically reading the ticket to at least indirectly identify the account and indicate that the good has actually been delivered and electronically requesting payment from the account. Shub discloses once the merchant attaches the label to the package, it is handed to the delivery company which acknowledges receipts (col. 2, lines 65-67). The label contains order number, payment agency's barcode and encyphered order number's barcode, etc. (Figure 4).

Barta, on the other, teaches upon delivery of the good, electronically reading the ticket to at least indirectly identify the account and indicate that the good has actually

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been delivered and electronically requesting payment from the account (paragraphs 28-29; paragraph 59).

Therefore, it would have been obvious to one of ordinary skill in the art at the time of the invention was made to modify the method, program and system of Shub, to include upon delivery of the good, the electronically reading the ticket to at least indirectly identify the account and indicate that the good has actually been delivered and electronically requesting payment from the account, as taught by Barta, in order to deliver the parcels efficiently (Barta, paragraph 14).

Regarding claims 2-5 and 11-12, Shub discloses the payment data (payment agent's barcode) includes authorization to charge the account and the act of electronically requesting payment comprises electronically charging the account; electronically placing a hold on the account for a purchase price of the good following receipt of the order; wherein the payment data includes authorization to draw funds on the account and the act of electronically requesting payment comprises electronically drawing funds on the account; and authorizing release of the good only if the request for payment is approved (Figure 4; col. 4, lines 25-54; col. 5, lines 2-20; col. 6, lines 44-61; col. 2, lines 16-31; col. 6, lines 17-23).

Regarding claims 18 and 22, Shub substantially disclose claimed invention, however, it does not disclose the reader operable to read the information from the ticket and the delivery device includes an interface operable to facilitate electronic communication between the delivery device and one or more other devices. Shub discloses once the merchant attaches the label to the package, it is handed to the

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delivery company which acknowledges receipts (col. 2, lines 65-67). The label contains order number, payment agency's barcode and encyphered order number's barcode, etc. (Figure 4).

Barta, on the other, teaches the reader operable to read the information from the ticket and the delivery device includes an interface operable to facilitate electronic communication between the delivery device and one or more other devices (paragraph 33; Figure 2).

Therefore, it would have been obvious to one of ordinary skill in the art at the time of the invention was made to modify the method, program and system of Shub, to include the reader operable to read the information from the ticket and the delivery device includes an interface operable to facilitate electronic communication between the delivery device and one or more other devices, as taught by Barta, in order to deliver the parcels efficiently (Barta, paragraph 14).

Claims 7-9, 13-16, 19-21, and 23 are rejected under 35 U.S.C. 103(a) as being unpatentable over U.S. Patent No. 6,807,530 to Shub et al. and U.S. Patent Application Publication No. 2002/0138173 to Barta as applied to claims 1, 10, and 17 above, and further in view of U.S. Patent No. 5,910,896 to Hahn-Carlson. Shub and Barta substantially disclose the claimed invention, however, the combination does not explicitly disclose information representing buyer and goods data, and registering the good according to the buyer and goods data; a recipient's physical location to verify that the good has been delivered to a correct address; and electronically determining a delivery time and electronically calculating a purchase price according to the delivery

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time and wherein the act of electronically requesting payment comprise requesting payment in the amount of the calculated price.

The combination does disclose a customer that can remotely order goods from a merchant (Shub abstract). The customer contacts the merchant and places the order and gives some identification number supplied by the payment agency (Shub, col. 6, lines 44-49). The merchant gets confirmation from payment agency and sends payment agency the order number (Shub, col. 6, lines 50-52). The package is prepared by the merchant and attaches a label (Shub, col. 2, lines 59-66).

Hahn-Carlson, on the other hand, teaches the information representing buyer and goods data, and registering the good according to the buyer and goods data; a recipient's physical location to verify that the good has been delivered to a correct address (proof of delivery); and electronically determining a delivery time and electronically calculating a purchase price according to the delivery time and wherein the act of electronically requesting payment comprise requesting payment in the amount of the calculated price (col. 4, lines 38-46; Tables 1-4).

Therefore, it would have been obvious to one of ordinary skill in the art at the time of the invention was made to modify the combination to include information representing buyer and goods data, and registering the good according to the buyer and goods data; a recipient's physical location to verify that the good has been delivered to a correct address; and electronically determining a delivery time and electronically calculating a purchase price according to the delivery time and wherein the act of electronically requesting payment comprise requesting payment in the amount of the

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calculated price, as taught by Hahn-Carlson, in order to provide a convenient and cost effective way to process a shipment transaction (Hahn-Carlson, col. 2, lines 52-53).

Response to Arguments

Applicant's arguments with respect to claims 1-5 and 7-23 have been considered but are moot in view of the new ground(s) of rejection.

Conclusion

Applicant's amendment necessitated the new ground(s) of rejection presented in this Office action. Accordingly, **THIS ACTION IS MADE FINAL**. See MPEP § 706.07(a). Applicant is reminded of the extension of time policy as set forth in 37 CFR 1.136(a).

A shortened statutory period for reply to this final action is set to expire THREE MONTHS from the mailing date of this action. In the event a first reply is filed within TWO MONTHS of the mailing date of this final action and the advisory action is not mailed until after the end of the THREE-MONTH shortened statutory period, then the shortened statutory period will expire on the date the advisory action is mailed, and any extension fee pursuant to 37 CFR 1.136(a) will be calculated from the mailing date of the advisory action. In no event, however, will the statutory period for reply expire later than SIX MONTHS from the date of this final action.

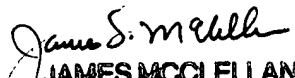
Any inquiry concerning this communication or earlier communications from the examiner should be directed to Marissa Thein whose telephone number is 571-272-6764. The examiner can normally be reached on M-F 8:00-5:00.

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If attempts to reach the examiner by telephone are unsuccessful, the examiner's supervisor, Robert Olszewski can be reached on 571-272-6788. The fax phone number for the organization where this application or proceeding is assigned is 703-872-9306.

Information regarding the status of an application may be obtained from the Patent Application Information Retrieval (PAIR) system. Status information for published applications may be obtained from either Private PAIR or Public PAIR. Status information for unpublished applications is available through Private PAIR only. For more information about the PAIR system, see <http://pair-direct.uspto.gov>. Should you have questions on access to the Private PAIR system, contact the Electronic Business Center (EBC) at 866-217-9197 (toll-free).

mtot
May 2, 2005


JAMES MCCLELLAN
PRIMARY EXAMINER
